

Daufuskie Island Utility Company, Inc.
Docket No. 2014-346-WS
Computation of Depreciation and Amortization Expense
For the Test Year Ended December 31, 2014

Depreciation Expense Adjustment

Description	Plant Balance 12/31/14	ORS Adjustment	Water Total	Service life	Dep. Rate	Utilization Factor	2014 Depr. Expense	Less: Per Books	ORS Adjustment
Organizational Costs	\$ 73,597	\$ (73,597)	\$ -						
Land & Land Rights	\$ 56,702	\$ (56,702)	\$ -						
General Plant			\$ 17,547	6	16.67%	100.00%	\$ 2,925		
General Plant			\$ 597	15	6.67%	100.00%	\$ 40		
General Plant			\$ 5,143	16	6.25%	100.00%	\$ 321		
General Plant			\$ 22,175	40	2.50%	100.00%	\$ 554		
Total General Plant	\$ 59,599	\$ (14,137)	\$ 45,462						
Other Intangible Plant	\$ 404	\$ -	\$ 404	10	10.00%	100.00%	\$ 40		
Meters	\$ 8,786	\$ 1,718	\$ 10,504	20	5.00%	45.28%	\$ 238		
Pumping	\$ 61,307	\$ (24,605)	\$ 36,702	20	5.00%	45.28%	\$ 831		
Reservoirs & Standpipes	\$ 907,325	\$ (9,246)	\$ 898,079	37	2.70%	45.28%	\$ 10,980		
Storage	\$ 81,907	\$ (75,907)	\$ 6,000	37	2.70%	45.28%	\$ 73		
Treatment			\$ 4,816	30	3.33%	45.28%	\$ 73		
Treatment			\$ 234,776	32	3.13%	45.28%	\$ 3,327		
Total Treatment	\$ 321,643	\$ (82,051)	\$ 239,592						
Water & Sewer Mains	\$ 1,509,687	\$ (91,176)	\$ 1,418,511	45	2.22%	45.28%	\$ 14,259		
Wells	\$ 794,864	\$ -	\$ 794,864	30	3.33%	45.28%	\$ 11,985		
Well Site	\$ 23,211	\$ (1,986)	\$ 21,225	18	5.56%	45.28%	\$ 534		
Total	\$ 3,899,032	\$ (427,689)	\$ 3,471,343				\$ 46,180	41,046	5,134

Description	Plant Balance 12/31/14	ORS Adjustment	Wastewater Total	Service life	Dep. Rate	Utilization Factor	2014 Depr. Expense	Less: Per Books	ORS Adjustment
Organizational Costs	\$ 73,597	\$ (73,597)	\$ -						
Land & Land Rights	\$ 63,710	\$ (63,710)	\$ -						
General Plant			\$ 17,547	6	16.67%	100.00%	\$ 2,925		
General Plant			\$ 597	15	6.67%	100.00%	\$ 40		
General Plant			\$ 4,780	16	6.25%	100.00%	\$ 299		
General Plant			\$ 4,592	18	5.56%	100.00%	\$ 255		
General Plant			\$ 22,175	40	2.50%	100.00%	\$ 554		
Total General Plant	\$ 54,868	\$ (5,177)	\$ 49,691						
Other Intangible Plant	\$ 204	\$ -	\$ 204	10	10.00%	100.00%	\$ 20		
Power Generation Equipment	\$ 4,632	\$ 4,514	\$ 9,146	20	5.00%	33.88%	\$ 155		
Pumping			\$ 85,323	18	5.56%	33.88%	\$ 1,607		
Pumping			\$ 53,027	25	4.00%	33.88%	\$ 719		
Total Pumping	\$ 158,189	\$ (19,839)	\$ 138,350						
T&D Equipment			\$ 29,163	15	6.67%	33.88%	\$ 659		
T&D Equipment			\$ 4,114	18	5.56%	33.88%	\$ 77		
T&D Equipment			\$ 380,128	32	3.13%	33.88%	\$ 4,031		
Total T&D Equipment	\$ 417,412	\$ (4,007)	\$ 413,405						
Treatment			\$ 3,600	15	6.67%	33.88%	\$ 81		
Treatment			\$ 91,380	18	5.56%	33.88%	\$ 1,721		
Treatment			\$ 121,491	32	3.13%	33.88%	\$ 1,288		
Total Treatment	\$ 289,565	\$ (73,094)	\$ 216,471						
Water & Sewer Mains	\$ 2,118,279	\$ (36,762)	\$ 2,081,517	45	2.22%	33.88%	\$ 15,656		
Outfall Main	\$ 66,704	\$ -	\$ 66,704	30	3.33%	33.88%	\$ 753		
WW Treatment Plant	\$ 818,187	\$ -	\$ 818,187	32	3.13%	33.88%	\$ 8,676		
Total	\$ 4,065,347	\$ (271,672)	\$ 3,793,675				\$ 39,516	35,256	4,260
Total Water/Wastewater	\$ 7,964,379	\$ (699,361)	\$ 7,265,018				\$ 85,696	\$ 76,302	\$ 9,394

Amortization of CIAC

Description	Per Books	Adjustment	W/WW Total	Service life	Dep. Rate	Utilization Factor	2014 Amort. Expense	Less: Per Books	ORS Adjustment
Water - CIAC @12/31/2014	\$ (458,500)	\$ -	\$ (458,500)	50	2.00%	45.28%	(4,152)	(4,125)	(27)
Wastewater - CIAC @ 12/31/2014	\$ (201,795)	\$ -	\$ (201,795)	50	2.00%	33.88%	(1,367)	(1,488)	121
Total Water/Wastewater CIAC	\$ (660,295)	\$ -	\$ (660,295)				\$ (5,519)	\$ (5,613)	\$ 94

- Reservoirs & Standpipes water total per Audit Exhibit ICG-5 was \$34,700. Water total of \$898,079 above with inclusion of elevated storage tank of \$863,379.
- Wells water total per Audit Exhibit ICG-5 was \$732,908. Water total of \$794,864 above with inclusion of elevated tank site well of \$61,956.

UNIFORM SYSTEM OF ACCOUNTS FOR CLASS A WATER UTILITIES

1996



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WATER UTILITY PLANT ACCOUNTS**308. Infiltration Galleries and Tunnels**

This account shall include the cost installed of infiltration galleries and tunnels used as a source of water supply. A sample of items to be included in this account are listed below:

1. Conduits.
2. Gate houses and equipment.
3. Piping.

309. Supply Mains

This account shall include the cost installed of supply mains, pipes, aqueducts and canals and their appurtenances. A sample of items to be included in this account are listed below:

1. Air chambers.
2. Blow-offs and overflows.
3. Bridges and culverts.
4. Canals.
5. Electrolysis control equipment.
6. Manholes.
7. Municipal inspection or permits.
8. Pavement disturbed, including cutting and replacing pavement, pavement base and sidewalks.
9. Pipes, aqueducts or conduits.
10. Placing mains and accessories.
11. Special castings.
12. Sterilizing new mains.
13. Surge tanks.
14. Trenching, including shoring, bracing, bridging, pumping, backfill and disposal of excess excavated material.
15. Tunnels.
16. Valves, valve vaults and appurtenances.

310. Power Generation Equipment

A. This account shall include the cost installed of any equipment used for the production of power principally used in pumping operations.

B. Subaccounts shall be maintained hereunder for the cost of equipment used for each type of power generating equipment.

WATER UTILITY PLANT ACCOUNTS**311. Pumping Equipment**

This account shall include the cost of pumping equipment driven by electric power, diesel engines, steam engines and hydraulic water wheels and turbines. A sample of items to be included in this account are listed below:

1. Engines, motors, water wheels and turbines for driving pumps.
2. Pumps, including setting, gearing, shafting and belting.
3. Water piping within station, including valves.
4. Auxiliary equipment for engines and pumps such as oiling systems, cooling systems, condensers, etc.
5. Oil supply lines and accessories.
6. Regulating, recording and measuring devices.
7. Foundations, frames and bed plates.
8. Ladders, stairs and platforms if a part of pumping unit.

320. Water Treatment Equipment

This account shall include the cost installed of apparatus, equipment and other facilities used for the treatment of water. A sample of items to be included in this account are listed below:

1. Aerators (when installed as an integral part of the water treatment plant).
2. Chemical treating plant.
3. Clear water basin.
4. Disinfection equipment.
5. Filter plant.
6. Mixing chambers.
7. Reverse osmosis membranes.
8. Sedimentation or coagulation basin.
9. Softening plant.

Note:--Protecting superstructures shall be included in account 304 - Structures and Improvements.

330. Distribution Reservoirs and Standpipes

This account shall include the cost in place of reservoirs, tanks, standpipes, and appurtenances used in storing water for distribution (See Accounting Instruction 24). A sample of items to be included in this account are listed below:

1. Aerators (when installed as an integral part of distribution reservoirs).
2. Bridges and culverts.

WATER UTILITY PLANT ACCOUNTS

3. Clearing land.
4. Dams.
5. Embankments.
6. Fences.
7. Foundations.
8. Gates and gate houses.
9. Landscaping.
10. Lighting systems.
11. Piping system within reservoirs.
12. Retaining walls.
13. Roads and paths.
14. Rust-proofing apparatus.
15. Sewer drain or storm sewer.
16. Spillways and channels.
17. Standpipes.
18. Tanks.
19. Towers.
20. Valves.

331. Transmission and Distribution Mains

A. This account shall include the cost installed of transmission and distribution mains and appurtenances. A sample of items to be included in this account are listed below:

1. Air chambers.
2. Blow-offs and overflows.
3. Bridges and culverts.
4. Electrolysis control equipment.
5. Gauges and recorders.
6. Jointing and jointing material.
7. Manholes.
8. Meters and appurtenances.
9. Municipal inspection or permits.
10. Pavement disturbed, including cutting and replacing pavement, pavement base and sidewalks.
11. Pipes.
12. Fire mains.

B. Records supporting this account shall be so kept as to show separately the cost of mains of different sizes and types and of each tunnel, bridge, or river crossing.